

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION

TERRY L. WHIPPLE, M.D., et al.,

Plaintiffs.

v.

PROFESSIONAL EMPLOYEE RESOURCES  
AND COMPENSATION SERVICES, LLC, et  
al.,

Defendants.

Civil Action Number 3:04CV685

**ORDER**

THIS MATTER is before the Court on Plaintiffs Terry L. Whipple, M.D.'s and Ruth L. Hillelson, M.D.'s Renewed Motion for Default Judgment. Plaintiffs have requested the Court to enter default judgment against Defendants Bridgestreet Financial Consultants, LLC ("Bridgestreet") and Professional Employee Resources and Compensation Services, LLC ("PERCS") for the following amounts:

1. \$434,259.50 for Plaintiffs initial investment less what Defendants returned to them;
2. \$310,217.94 for taxes, interest, and penalties;
3. \$13,489.00 for attorney's fees and costs in connection with the retention of a lawyer who provided tax advice and represented Plaintiffs in communications with the Internal Revenue Service ("IRS"); and
4. \$16,893.34 for attorney's fees in connection with this action.

On February 23, 2005, the Clerk of the Court entered default against Bridgestreet and PERCS. See Fed. R. Civ. P. 55(a) (“When a party against whom a judgment for affirmative relief is sought has failed to plead or otherwise defend...the clerk shall enter the party’s default.”).

The Court is in the process of determining the appropriate amount to award Plaintiffs for default judgment. The Court has determined that Plaintiffs are entitled to default judgment in the amount of \$434,259.50, which represents the initial amount of their investment less the amount Defendants returned to them. The Court also finds that a judgment award in the amount of \$13,489.00, for attorney’s fees incurred by Plaintiffs in connection with their communications with the Internal Revenue Service (“IRS”), and \$16,893.34 for attorney’s fees incurred in connection with the instant action is appropriate.

However, the Court is unable to determine what portion of the \$310,217.94 damages amount Plaintiffs are entitled to receive. Accordingly, Plaintiffs are DIRECTED to provide the Court with an itemized list breaking down this amount into its individual components (taxes, interest, and penalties) within thirty (30) days of the entry of this Order. Plaintiffs are FURTHER ORDERED to provide documentation as to the amounts claimed.

Let the Clerk send a copy of this Order to all parties of record.

It is SO ORDERED.

/s/ James R. Spencer  
UNITED STATES DISTRICT JUDGE

MAY 2, 2005  
DATE